



# **UPSTATECOLORADO**

**ECONOMIC DEVELOPMENT**

Supporting Job Opportunities in Greeley & Weld County Communities

## **PROJECT E5**

**ENERGY  
EXCELLENCE  
EMPLOYMENT  
ENGAGEMENT  
ENVIRONMENT**

**Upstate Colorado's 5-Year Plan  
To Build Wealth and Job Opportunity, 2009-2013**

*Prepared by  
R&M Resource Development, LLC  
for  
Upstate Colorado Economic Development  
February 2009*

## THE CHALLENGE

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We live in a time of extraordinary challenge and unprecedented opportunity. And we have a lot to be proud of in Weld County, make no mistake. Yet the challenges of this new millennium and rapidly changing competitive forces around the world have seldom been so daunting. Consider:

- **PAROCHIALISM AND OUTDATED THINKING.** Weld County is often the victim of negative stereotypes and small thinking – *often self-inflicted*. If we are to break the stereotype, we must find unity in a compelling vision for our region. We must have the collective wisdom to chart a new course, and the courage to drive change.
- **GLOBAL ECONOMIC UNCERTAINTY.** The global financial crisis brings with it uncertainty the likes of which we have not seen in decades. We must take this opportunity to reinvent, innovate and prepare Weld County to emerge stronger on the other side.
- **THE CONVERGENCE OF WORKFORCE AND LIFESTYLE.** Weld County's success will depend in large part on our ability to capture and retain knowledge workers and entrepreneurs that are location-neutral – those individuals talented enough to live where they want and “export” their work. Our communities must demonstrate excellence in everything from pre-school to advanced education, cultural and recreational amenities, housing, entertainment and diversity.
- **RAPID GROWTH AND GEOGRAPHIC DIVERSITY.** Eight of the ten fastest-growing cities in Colorado are in Weld County. The Greeley/Weld MSA was ranked as the #1 fastest-growing MSA in the U.S. from 2000 to 2003, and the 2d fastest-growing from 2000 to 2006. Such rapid growth in portions of our county, simultaneous with slow or negative growth in some of our rural areas, brings a complex set of challenges.

**Upstate Colorado must and will be a catalyst for the solutions.**

**The stakes have never been higher.**

*Especially now* – in a prolonged recession -- the times demand a renewed, sophisticated, and targeted approach to the creation of primary jobs and wealth so that Weld County residents in this generation and the next may enjoy a vibrant economy and enhanced quality of life.

## OUR VISION

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Upstate Colorado envisions a Weld County  
with a healthy and sustainable economy that creates wealth,  
preserves the quality of life  
and improves the standard of living for our residents.

## OUR MISSION

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To facilitate and attract investment, create new job opportunities,  
stimulate income growth and expand the tax base  
for all the communities within Weld County.

## OUR GOALS

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The creation of **5,000 high-quality, primary jobs** throughout Weld County  
by January of 2014

To grow Weld County's GMP (gross metro product, the measure of all  
goods and services produced in our county) by **\$1.7 billion** by January of  
2014

To maintain our standing among the **top 100 MSAs\*** nationwide (out of  
350) as ranked for economic prosperity.

\* Metropolitan Statistical Areas

## **UPSTATE COLORADO: A RECORD OF POSITIVE IMPACT**

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Upstate Colorado Economic Development is a private nonprofit corporation charged with expanding and strengthening Weld County's economic base – meaning wealth and job opportunity. We do that by supporting development and redevelopment projects that create **primary jobs – the essential building blocks that create wealth and disposable income for enhanced quality of life.**

In recent years, Greeley and Weld County have enjoyed tremendous economic progress. Consider the following.

- In January of this year, the Greeley/Weld MSA was ranked #2 in the nation for 1-year income growth by the U.S. Bureau of Labor Statistics.
- In March, 2008, Forbes Magazine identified the Greeley/Weld MSA as #1 in the nation for 5-year income growth.
- Our Gross Metro Product (GMP) grew 27.3% from 2001-2005, beating Colorado and the nation during the same period (source: U.S. Bureau of Economic Analysis).
- Greeley ranked #20 nationally on the list of Best Performing Cities for overall economic growth -- the highest rank of any Colorado community (source: Milken Institute 2008).
- Weld County ranks as one of only two top-ten ag-producing counties in the U.S. outside of California.

Our list of new and expanded employers for 2005-2008 is impressive, too:

- |                       |                          |
|-----------------------|--------------------------|
| ▪ Vestas              | ▪ LePrino Foods Co.      |
| ▪ Front Range Ethanol | ▪ Asurion                |
| ▪ Semperian           | ▪ Colorado Premium Foods |
| ▪ Hexcel              | ▪ Holden Marketing Group |
| ▪ JBS Swift           | ▪ AVA Solar              |

**Upstate Colorado has built a solid infrastructure for promoting job growth and wealth across the board. Now we need to set the bar higher, strengthen our focus and make Weld County a performance leader among our peer communities in the West and the nation.**

*Standing still is not an option.*

*We must now demonstrate the vision, courage and commitment to redefine our future.*

UPSTATE'S PROJECT E5. ENERGY EXCELLENCE EMPLOYMENT ENGAGEMENT ENVIRONMENT

**UPSTATE COLORADO ECONOMIC DEVELOPMENT  
2009 BOARD OF DIRECTORS**

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Weston Kurz, 1<sup>st</sup> Bank of Greeley  
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Monica Mika, Weld County  
Kay Norton, University of Northern Colorado  
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Ed Phillipsen, Greeley City Council  
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Cathy Schulte, CEcD, Senior Vice President  
Eric Berglund, Vice President of Finance  
Tom Hammerschmidt, Office Manager  
Susan House, Campaign Coordinator

## **UPSTATE COLORADO PRIORITIES 2009-2013**

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### **PRIORITY: LEADERSHIP TO DRIVE POSITIVE CHANGE**

The most vital communities invariably enjoy a core group of leaders with the vision, courage and commitment to act as civic entrepreneurs – to help their community rally around a compelling vision of the future and set the stage for long-term success. Such groups are often a force for positive change, working to build needed infrastructure, resolve key socio-economic challenges or help the community innovate in other ways.

Upstate Colorado will convene a council of top-tier private and public investors to identify and respond to such challenges at a macro level, placing an Emerging Opportunities Fund at their disposal to catalyze such initiatives. These may include:

- Projects to enhance the quality of life and civic pride, such as an arena, convention center, or community-wide wifi.
- Projects to move and shape public opinion on issues relating to the region's capacity to grow, such as infrastructure, educational access or a large-scale commercial/industrial park.
- Projects that enhance the community's attractiveness to both families and businesses, such as a waste-to-energy generation facility
- Focused efforts to remove stubborn or difficult barriers to employment growth or capital investment.

#### **Performance Measures:**

- The accomplishment of projects critical to Weld County's economic future
- Strengthened leadership
- Greater public/private collaboration
- An enhanced image of Weld County as a place to live, grow and invest

**Expenditure: \$1,000,000 over five years**

## **PRIORITY: LOCALIZED INITIATIVES FOR COUNTYWIDE STRENGTH**

With 4,000 square miles and more than 30 communities, Weld County's economic diversity is staggering. Many of our communities face growth-related challenges: adequate infrastructure, congestion, shifting demographics, the need to balancing residential growth with commercial/industrial growth and job opportunities.

Upstate will help them meet these challenges by establishing – where the value and local support are apparent – complementary, localized economic development efforts that have public/private support, and that respond to the specific characteristics of the locality. The first example of such an effort is the Southwest Weld Economic Development Initiative, led by Upstate in cooperation with 11 Southwest Weld communities.

1. Using the SW Weld Economic Development Initiative as a model, we will provide Upstate staff support at regular intervals to Weld municipalities and economic development representatives
2. We will use Upstate's marketing resources to develop and refine specific marketing strategies to serve logically-grouped geographic areas throughout Weld County

### **Performance Measures:**

- Active, functioning E.D. collaboratives around Weld County, driving localized agendas that strengthen and complement our countywide and regional programs

**Expenditure: \$375,000 over five years**

## **PRIORITY: THRIVING LOCAL BUSINESSES**

It has been proven over time: Our *existing businesses* are our best hope for new job creation and are our best advertisement to the global marketplace.

1. **Focused Business Retention/Expansion.** We will identify our 50 fastest-growing primary employers and those who are most at risk, focusing our resources where they will have the greatest impact. In the process, we will gain a better understanding of existing business needs to strengthen our business climate. We will help regional/branch operations in Weld County compete for work within their own companies while we work to strengthen ties with the headquarters of our local employers as a way to secure local jobs.
2. **A Pipeline for Critical Information.** Upstate will use its website as a conduit for timely information of importance to employers.
3. **Leveraging Tools for Small Business Growth.** Upstate administers the Weld/Larimer Revolving Loan Fund and Greeley Community Development Loan Fund, as well as the Greeley/Weld Enterprise Zone. Collectively, these programs have leveraged more than \$63 million in capital investment, hundreds of new jobs, \$27 million in state tax credits for Weld County businesses, and \$7 million for nonprofits working to improve our business climate. With aggressive marketing, these important tools can stimulate even more home-grown entrepreneurship in Weld County.
4. **Continuous Improvement in our Local Business Climate.** Using business retention surveys, workforce needs assessments and economic trend analyses, we will inform local and state policy makers, and keep government and educators abreast with the changing needs of business at the local/county level.
5. **Collaborative Advocacy on Local/State Business Issues.** Upstate will work with other business and economic development organizations in our region and throughout Colorado to improve the regulatory and legislative environment at the state level, with emphasis on issues related to primary job creation, capital investment and education/ training.

### **Performance Measures:**

- 4,000 new primary jobs expanded, 2009-2013
- \$1.7 Billion in new wealth for the county
- Capital investment and jobs tied to RLF loans and the Enterprise Zone

**Expenditure: \$1,125,000 over five years**



## **PRIORITY: TARGETED MARKETING AND ATTRACTION**

If we are to attract the right mix of employers and raise per capita income in Weld County, then we must get our act together in terms of the messages we send out to the world, and the types of employers we seek to attract. To be heard above the din of competition, *and to overcome outdated stereotypes*, we must invest strategically in targeted research, public and media relations, and marketing to our selected industry targets.

1. **Leverage Our Advantage in Renewable Energy.** We will gather the necessary intelligence to learn, within the Renewables sector, which technologies are emerging, why, when and how. We will study supply chains for Wind, Solar and BioFuels so that we can position Weld County to compete and win the best projects.
2. **Penetration in Target Industries.** Upstate Colorado will methodically promote Weld County with site selectors, developers and corporate decision-makers. We will use targeted research, industry events, professional affiliations and collaboration with neighboring E.D. organizations to advance job creation in: Energy (including Renewables and Fossil Fuels), Ag/Food Processing, Info Tech, Logistics, Business Services and Manufacturing..
3. **Image Enhancement Within and Without.** We will establish a task force to launch a two-pronged public relations agenda – one targeted at local constituencies and one targeted externally at the rest of Colorado. Our goal: to replace outdated impressions with the reality of Weld County as a vibrant, desirable place to live, work and invest.
4. **A Powerful Online Presence.** Site selectors perform 90% of their research online, typically before any direct community contact is made. So our online content must be current, user-friendly and effective for site selectors and their clients. Our website will push the envelope to optimize Weld County's chances of landing on the short list for desirable job-creation projects while providing value for existing employers.
5. **Competitive Commercial and Industrial Properties.** We will increase our understanding of the current and future real estate requirements in our target industries, working with governments and developers to provide competitive property choices with the infrastructure onsite to support business needs.

### **Performance Measures:**

- 1,000 new primary jobs attracted, 2009-2013
- \$1.7 Billion in new wealth for the county
- Growth in Weld County per capita income levels

**Expenditure: \$1,900,000 over five years**

## **Priority: AN IMPROVED WORKFORCE PIPELINE**

The most successful communities sustain a diversity of employers and *talented knowledge workers*. Knowledge workers are a community's most significant assets; they are *mobile and entrepreneurial*; we want to attract and keep our knowledge workers in Weld County.

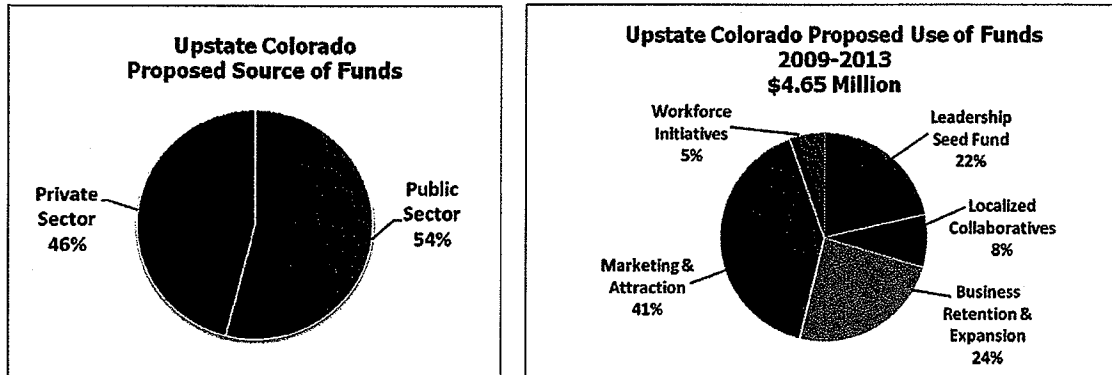
1. **Unprecedented Partnership with UNC, Aims and the region.** Our institutions of higher education are at the forefront of Weld County's ability to graduate and attract talent. We will explore every opportunity to leverage UNC and Aims Community College, to enhance their status, funding and collaboration with our region's business community.
2. **Leveraged Resources for Needed Research.** As a partner in the Northern Colorado Workforce Initiative, Upstate works collaboratively to ensure our region's employers have access to the knowledge workers they need today and tomorrow, while leveraging state and federal dollars to fund needed research.
3. **Competitive Resident Workforce Skills.** Upstate Colorado will collaborate with educators and economic developers throughout northern Colorado to assess our regional workforce strengths and weaknesses (current and projected), and to set strategies for continuous improvement in the skills, creativity and earning power of Weld County workers.
4. **Employee Recruiting Assistance.** When individual local employers must reach outside our region for the talent they need, Upstate will assist them directly with information, tours, meeting the needs of trailing spouses and/or resolving other barrier issues to recruitment.
5. **Building Communities that Attract High-Quality Talent.** As workers become more mobile and choosier about where they live and work, communities must work harder to attract them. Upstate will support each of our municipalities in their attempts to strengthen livability, entertainment, cultural, educational and retail amenities.

### **Performance Measures:**

- Continuous improvement in third-party rankings of Weld County's workforce and lifestyle attributes
- Successful recruitment and retention as reported by local employers

**Expenditure: \$250,000 over five years**

## RETURN ON INVESTMENT



Upstate Colorado investors recognize the importance of a strong economic development program. They also recognize a good investment and demand a return on that investment.

The following page contains a summary of the five-year economic impacts projected to accrue in Weld County from the successful implementation of the initiatives proposed herein. Specifically, the model shows projected impacts from the *incremental* job growth from these initiatives (\$1.7 Billion over five years), and *not* the total job growth from the Upstate Colorado's entire program, which is greater.

The model uses the U.S. Bureau of Economic Analysis' standardized Regional Impact Modeling System (RIMS) and conservative job spin-off assumptions. It is based on data specific to the Greeley/Weld County MSA.

# UPSTATE COLORADO ECONOMIC DEVELOPMENT PROGRAM 2009-2013 (in Constant 2008\$)

<u>JOBS TARGETED (DEMAND)</u>	<u>MULT</u>	<u>Average Pay</u>	2009	2010	2011	2012	2013	<u>SUMMARY</u>
Recruited Jobs	1.45	\$44,993	160	180	200	220	240	1,000
Expansion Jobs	1.00	\$38,129	750	780	800	820	850	4,000
Primary Jobs		\$39,502	910	960	1,000	1,040	1,090	5,000
Secondary Jobs (at Average Pay)	1.09	\$38,129	981	1,040	1,089	1,138	1,196	5,443
Average Pay (Incremental Primary & Secondary Jobs)			\$38,788	\$38,788	\$38,787	\$38,785	\$38,784	\$38,787
Total Job Impact (Cumulative)			1,891	3,951	5,979	8,157	10,443	10,443
<u>UNEMPLOYMENT</u>		5.5%	4.9%	4.4%	4.1%	4.0%	4.0%	
<u>WORKFORCE DEVELOPMENT (SUPPLY)</u>			1,200	2,528	4,197	6,263	8,543	8,543
Participation Increment		18%	264	549	857	1,180	1,548	1,548
In-Commuting Increment		-5%	-79	-162	-246	-339	-434	-434
Net-Migration Increment		87%	1,014	2,140	3,588	5,413	7,429	7,429
<u>POPULATION</u>			266,141	279,293	283,577	309,130	325,569	71,922
Weld County Program Included			263,947	274,665	285,818	287,424	309,501	4.1%
Normal			2,194	4,628	7,759	11,706	16,068	1.1%
<u>HOUSING</u>			93,486	102,938	108,202	113,935	119,993	5.2%
Total Housing Units with Program			97,282	101,232	105,342	109,620	114,071	4.1%
Normal			5,674	6,112	6,360	6,618	6,887	31,851
Increase in Housing (Based on Normal Increase)		4.900	809	887	1,154	1,455	1,608	5,922
Increment in Housing (Weld County Program Increment)			6,682	7,009	7,514	8,073	8,495	37,774
Total Housing Units with Weld County Program			\$133,400,000	\$148,000,000	\$190,400,000	\$240,000,000	\$265,300,000	\$977,100,000
Housing Investment - all types at Avg Unit Price of Weld County Increment (Included)			14%	15%	18%	22%	23%	
<u>COMMERCIAL-INDUSTRIAL SPACE</u>			473,000	500,000	522,000	544,000	572,000	2,611,000
Space Utilized	250 ft/Emp		\$40,200,000	\$42,500,000	\$44,400,000	\$46,300,000	\$48,600,000	\$221,900,000
Commercial Real Estate Investment	\$85 /ft <sup>2</sup>		34	36	38	40	42	191
<u>NEW BUSINESSES</u>			\$63,200,000	\$130,000,000	\$199,800,000	\$272,500,000	\$349,000,000	\$349,000,000
Deposits (Incremental in Constant 2008\$)		1.00%	630,000	1,300,000	2,000,000	2,790,000	3,490,000	10,150,000
Operating Profit Increment			\$73,300,000	\$150,900,000	\$231,900,000	\$316,400,000	\$405,000,000	\$1,177,600,000
<u>EMPLOYEE PAYROLL &amp; EXPENDITURES</u>			\$51,200,000	\$125,800,000	\$193,400,000	\$263,800,000	\$337,800,000	982,000,000
<u>INCOME FROM NEW JOBS</u>		100.0%	4,150,000	8,530,000	13,110,000	17,880,000	22,890,000	66,560,000
<u>NEW EMPLOYEE EXPENDITURES</u>		83.4%	2,270,000	4,670,000	7,180,000	9,790,000	12,540,000	36,460,000
Auto Payments			1,080,000	2,210,000	3,400,000	4,640,000	5,940,000	17,270,000
Clothing & Apparel Stores			2,150,000	4,430,000	6,800,000	9,280,000	11,880,000	34,540,000
Educational Institutions			2,880,000	5,920,000	8,100,000	10,870,000	13,920,000	46,220,000
Electric & Gas Utilities			2,070,000	4,260,000	6,540,000	8,930,000	11,430,000	33,230,000
Entertainment & Recreation Facilities			4,140,000	8,520,000	13,080,000	17,660,000	22,660,000	66,470,000
Furniture & Appliance Stores			1,560,000	3,240,000	4,960,000	6,800,000	8,710,000	25,310,000
Grocery Stores			4,550,000	9,360,000	14,380,000	19,610,000	25,110,000	73,010,000
Health Care Providers			2,520,000	5,180,000	7,970,000	10,870,000	13,920,000	40,470,000
Home Mortgage Holders (Interest)			6,420,000	13,210,000	20,280,000	27,680,000	35,440,000	103,040,000
Home Mortgage Holders (Principal)			240,000	480,000	750,000	1,030,000	1,320,000	3,830,000
Insurance Agents (Home, Auto, Health, Life)			3,260,000	6,720,000	10,320,000	13,540,000	17,330,000	50,390,000
Professionals (Atty, Accts, Architects, etc)			1,320,000	2,710,000	4,160,000	5,680,000	7,270,000	21,140,000
Rental Housing			2,260,000	4,560,000	7,160,000	9,770,000	12,510,000	36,360,000
Restaurants			17,170,000	35,220,000	54,250,000	73,940,000	94,720,000	275,300,000
Telephone/Communication Providers			\$11,309,000	\$23,364,000	\$36,449,000	\$50,564,000	\$65,773,000	\$167,559,000
Philanthropy - Cash Contributions			1,642,000	3,985,000	6,514,000	9,827,000	13,489,000	\$36,667,000
Misc Retail, Product & Service Providers			9,467,000	19,478,000	29,895,000	40,837,000	52,284,000	\$152,002,000
<u>LOCAL GOVERNMENT REVENUES</u>		23.4%	\$6,682,000,000	\$7,146,000,000	\$7,635,000,000	\$8,152,000,000	\$8,667,000,000	6.8%
COUNTY			\$6,560,000,000	\$6,934,000,000	\$7,305,000,000	\$7,686,000,000	\$8,106,000,000	5.4%
CITIES			\$102,000,000	\$212,000,000	\$329,000,000	\$466,000,000	\$591,000,000	\$1,690,000,000
<u>GROSS METRO PRODUCT</u>			\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	6,000,000
UCEDC Program Included			102	212	329	456	591	338
Normal			\$6,682,000,000	\$7,146,000,000	\$7,635,000,000	\$8,152,000,000	\$8,667,000,000	
Increment (in Constant 2008\$)			\$6,560,000,000	\$6,934,000,000	\$7,305,000,000	\$7,686,000,000	\$8,106,000,000	
<u>RETURN ON INVESTMENT (GMP Increment / Program Investment)</u>			\$102,000,000	\$212,000,000	\$329,000,000	\$466,000,000	\$591,000,000	\$1,690,000,000
Program Investment			\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	6,000,000
<u>TIMES INVESTMENT RETURNED</u>			102	212	329	456	591	338